

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS**

June 3, 2013 – 3:00 PM

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING
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Present: Jim Sides, Chairman
Craig Pierce, Vice-Chairman
Jon Barber, Member
Mike Caskey, Member
Chad Mitchell, Member

County Manager Gary Page, Clerk to the Board Carolyn Barger, County Attorney Jay Dees and Finance Director Leslie Heidrick were present.

Chairman Sides convened the meeting at 3:00 p.m.

Commissioner Barber provided the Invocation and also led the Pledge of Allegiance.

CONSIDER APPROVAL OF THE MINUTES

Commissioner Barber moved, Commissioner Mitchell seconded and the vote to approve the minutes of the May 20, 2013 Commission Meeting passed unanimously.

CONSIDER ADDITIONS TO THE AGENDA

- Commissioner Pierce moved to add a Closed Session. The motion was seconded by Commissioner Barber and passed unanimously.

Chairman Sides added the issue as agenda item #7a.

- Commissioner Barber moved to add a discussion regarding a possible budget work session. The motion was seconded by Commissioner Pierce and passed unanimously.

Chairman Sides added the issue as agenda item #6a.

- Commissioner Pierce moved to add a discussion for a resolution concerning the funding from the state lottery funds. The motion was seconded by Commissioner Caskey and passed unanimously.

CONSIDER DELETIONS FROM THE AGENDA

There were no deletions from the agenda.

CONSIDER APPROVAL OF THE AGENDA

Commissioner Barber moved, Commissioner Pierce seconded and the vote to approve the agenda passed unanimously.

1. CONSIDER APPROVAL OF CONSENT AGENDA

Commissioner Barber moved approval of the Consent Agenda. The motion was seconded by Commissioner Pierce and passed unanimously.

The Consent Agenda consisted of the following:

- A. County Tax Administration Records Retention and Disposition Schedule
- B. Register of Deeds Records Retention and Disposition Schedule
- C. Set Quasi-Judicial Hearing for CUP 06-13 for June 17, 2013
- D. Sale of Surplus Property

2. PUBLIC COMMENT PERIOD

Chairman Sides opened the Public Comment Period to entertain comments from any citizens wishing to address the Board. The following individuals came forward:

- Dr. Richard Miller, provided a packet of information to the Commissioners and said as chair of the Board of Education, he wanted to share some of the good news that has gone on for Rowan Salisbury School System in the last six (6) months.
- Larry Wright thanked the Board for holding the tax rate the same. Mr. Wright also felt the Board of Education had not sold the citizens on the need for positions, supplements, etc.

With no one else wishing to address the Board, Chairman Sides closed the Public Comment Period.

3. QUASI-JUDICIAL HEARING FOR CUP 05-13

Chairman Sides read the Chairman's Speech (Exhibit A) and declared the public hearing for CUP 05-13 to be in session. Chairman Sides said the hearing would focus on an application submitted by David Evans for property located at 420 Lakeside Drive, Salisbury, NC 28146. Chairman Sides said Mr. Evans was requesting a conditional use permit to construct a second residential storage facility on Tax Parcel 610A026.

The clerk swore in those wishing to provide testimony in the case.

Planner Julian Burton presented the Staff Report (Exhibit B) and also a power point presentation (Exhibit C), which depicted the site and surrounding area. Mr. Burton said the proposed structure would be 864 square feet and that the Board of Commissioners had granted a conditional use permit for a 336 square foot residential storage facility on this parcel in 2010. Mr. Burton explained the maximum size allowed for a storage facility was three thousand (3,000) square feet and when the 864 square foot structure was added, the total square feet would be 1200.

Mr. Burton provided the Board with sample Findings of Fact (Exhibit D).

With no one else sworn to provide testimony in the case, Chairman Sides closed the public hearing.

Commissioner Barber moved, Commissioner Pierce seconded and the vote to approve the Findings of Fact (Exhibit D) as presented by Staff passed unanimously.

The Findings of Fact (Exhibit D) were listed as follows:

1. The development of the property in accordance with the proposed conditions will not materially endanger the public health or safety.

FACT: The parcel has sufficient frontage (134') along Lakeside Drive and the addition of a second residential storage facility will not impact access to the property.

2. That the development of the property in accordance with the proposed conditions will not substantially injure the value of adjoining or abutting property, or that the development is a public necessity, and;

FACT: No material evidence was presented suggesting this proposal would injure property values for adjoining lots.

3. That the location and character of the development in accordance with the proposed conditions will be in general harmony with the area in which it is located and in general conformity with any adopted county plans.

FACT: Like the existing residential storage facility, the structure will be constructed of materials (wood framing and siding) that are similar to those used on other accessory structures in the surrounding area.
Assumed

Commissioner Barber moved approval of CUP 05-13. Commissioner Pierce seconded and the motion passed unanimously.

4. ANNOUNCEMENT OF DENTAL DISCOUNT PROGRAM FOR ROWAN COUNTY

Chairman Sides announced that the NACo Dental Program was now available for Rowan County through the National Association of Counties (NACo). Chairman Sides explained there was a cost associated with the plan and that the plan would provide savings of up to 50% on dental procedures. Chairman Sides said the cards were available in both English and Spanish, at several County office locations. Chairman Sides said the discounts offered by the Program were substantial to those who did not have dental insurance.

Commissioner Barber commented that he felt the Program would be a great value to the citizens of Rowan County.

5. CONSIDER APPROVAL OF BUDGET AMENDMENTS

Finance Director Leslie Heidrick presented the following budget amendments for the Board's consideration:

- Finance – To budget additional revenue from the collection of inmate transaction fees and additional expenditures for the payment of fees to a third-party processing company - \$4,500
- Finance – To budget additional revenue from Detention Center inmates for commissary orders and additional expenditures for the purchase of the items ordered - \$51,000
- Finance – To budget revenue, allocate fund balance and budget expenditure for release of Farm Life Center donations - \$15,358
- Finance – To budget additional revenue for Rescue Squad collections and additional expenditures for the turnover of collections - \$24,000
- Finance – To budget additional revenue for Ambulance collections and additional expenditures for the County's billing company collection fee - \$21,000
- Health – To budget additional revenues and expenditures for the Animal Shelter due to an increase in adoptions - \$20,000
- Sheriff's Office – To recognize new revenue and post to proper expense account - \$20,000
- Social Services – To request realignment of accounts to reflect actual spending - \$4,335
- Social Services – To increase expenditure and revenue line items for Child Day Care Subsidy payments based on funding authorizations received from the Division of Child Development for FY 2013 - \$14,036

Commissioner Pierce moved approval of the budget amendments as presented. The motion was seconded by Commissioner Caskey and passed unanimously.

6. CONSIDER APPROVAL OF BOARD APPOINTMENTS **ZONING BOARD OF ADJUSTMENTS**

There are four (4) vacancies, 2 at large and 2 alternates.

- Joe S. Coladarci, Jr. has submitted an application for consideration and if appointed will be assigned to an at large position.

The term would be for three (3) years beginning July 1, 2013 and expiring June 30, 2016.

Commissioner Pierce nominated Joe Coladarci and the nomination passed unanimously.

JUVENILE CRIME PREVENTION COUNCIL

The following applications have been submitted for five (5) vacancies:

- Bonnie Baker Harrell for reappointment as a Substance Abuse Counselor
- Linda Beaty for reappointment as the representative of the faith community
- Lynn G. Marsh for reappointment as an at large representative
- Kimberly Boling for reappointment as an at large representative
- David A. Lambert for reappointment as an at large representative

The terms are for two (2) years beginning July 1, 2013 and expiring June 30, 2015.

The following application has been submitted to fill the unexpired term of Josh McHone:

- Jane Neily Wood – at large representative

The term expires June 30, 2014 at which time Ms. Wood will be eligible for reappointment.

Commissioner Mitchell nominated all applicants as submitted for the terms outlined. The nominations passed unanimously.

ROWAN CABARRUS COMMUNITY COLLEGE BOARD OF TRUSTEES

- Quentin Woodward, Jr. has submitted an application for reappointment.

The term is for four (4) years beginning July 1, 2013 and expiring June 30, 2017.

Commissioner Barber nominated Mr. Woodward and the nomination carried unanimously.

CENTRALINA WORKFORCE DEVELOPMENT BOARD

- Stanley Wilson, Community Based Organization Representative, has submitted an application for reappointment. Mr. Wilson has been serving an unexpired term of a former member.

The term is for two (2) years beginning July 1, 2013 and expiring June 30, 2015.

Commissioner Pierce nominated Mr. Wilson and the nomination passed unanimously.

BOARD OF SOCIAL SERVICES

Applications have been received for one (1) vacancy from the following:

- Jim Sides for reappointment
- Melissa Jean Oleen

The term is for three (3) years beginning July 1, 2013 and expiring June 30, 2016.

Commissioner Pierce nominated Jim Sides and the motion passed unanimously.

REGION F AGING ADVISORY

- Manie Richardson has submitted an application for reappointment.

The term is for two (2) years beginning July 1, 2013 and expiring June 30, 2015.

Commissioner Pierce nominated Ms. Richardson and the nomination carried unanimously.

ATWELL TOWNSHIP VFD FIRE COMMISSION

There are three (3) vacancies and the following applications have been submitted:

- Richard Scott Hardwick for reappointment
- Barry Dale Burgess for reappointment
- Edgar R. Overcash for reappointment
- Clement Bost
- Gary Goodman

The terms are for two (2) years beginning July 1, 2013 and expiring June 30, 2015.

Commissioner Pierce nominated Gary Goodman, Clement Bost and Barry Dale Burgess. The nominations passed unanimously.

MILLER FERRY VFD FIRE COMMISSION

There are three (3) vacancies and the following applications were submitted:

- Ernest Ray Shepherd for reappointment
- Ricky Dale Fesperman
- Rick Francis Froneberger
- Marvin Nay Feezor
- Thomas Michael Kidd

The terms are for two (2) years beginning July 1, 2013 and expiring June 30, 2015.

Chairman Sides commented that an application had been submitted late and that the Board would consider from the applicants in the agenda packet.

Commissioner Pierce nominated Rickey Dale Fesperman, Rick Francis Froneberger and Thomas Michael Kidd. The nominations passed unanimously.

UNION VFD FIRE COMMISSION

There are two (2) vacancies and the following applications have been submitted:

- Tom E. Waller for reappointment
- Steven D. Schenk for reappointment
- Randy Floyd Cauble

The terms are for two (2) years beginning July 1, 2013 and expiring June 30, 2015.

Commissioner Barber nominated Tom Waller and Steven D. Schenk for reappointment.

Commissioner Pierce nominated Randy Floyd Cauble.

Upon being put to a vote, Tom Waller received one (1) vote of support from Commissioner Barber. Therefore, Steven D. Schenk and Randy Floyd Cauble Waller were appointed.

ADDITIONS

6a. DISCUSSION REGARDING POSSIBLE WORKSESSION

Chairman Sides said he had talked with several Commissioners who indicated they had several changes they would like to see in the proposed budget for fiscal year 2013-14.

Chairman Sides moved that the Board hold a work session on June 10, 2013 at 3:00 p.m. The motion was seconded by Commissioner Barber and passed unanimously.

6b. LOTTERY FUNDS

Commissioner Pierce said in the past the County had always received a letter from the Chairman of the Board of Education (BOE) to request lottery funds from the State; however, the letter had not been received this year. Commissioner Pierce said the County was looking at monies that had been paid from the general fund to take care of the debt service for the bond. Commissioner Pierce said this action would revert back to the County having to lower the fund balance to take care of the payments. Commissioner Pierce moved to have a resolution stating that instead of paying the ¼ cent sales tax that has been collected for the school system to pay for capital improvements, the County would escrow those funds to offset the debt the lottery currently paid. Commissioner Pierce went on

to say that upon receiving the money from the State, the funds would be reimbursed back to the school system. Commissioner Pierce said the County would hold the sales tax funds, starting with this month's payment scheduled for disbursement at the end of the week. Chairman Pierce asked that the County hold the funds until reimbursement had been received from the State lottery funds that were set aside for the debt service. Chairman Sides seconded the motion for discussion.

Commissioner Barber said he understood this was a financial issue but it could give the appearance that the Board was trying to exert more authority over the BOE at a time where there was a struggle to build a better relationship. Commissioner Barber said he would rather wait and discuss the matter at the work session next Monday.

In response to an inquiry from Commissioner Pierce, Finance Director Leslie Heidrick responded that the normal procedure would be to release the funds on a monthly basis, the first Friday of the month. Ms. Heidrick said she could send the current expense Friday and hold the sales tax for another week.

Commissioner Mitchell questioned the amount of the quarterly sales tax payment, to which Ms. Heidrick responded \$125,000.

Chairman Sides asked what the actual amount was that the County could have drawn down from the lottery funds if the letter had been signed. Ms. Heidrick responded it would have been \$1.7 million.

Chairman Sides said the County had made the debt service payment represented by the lottery funds and the money came out of the general fund. Chairman Sides said if the funds were not replaced there would be a short fall in the fund balance.

Ms. Heidrick confirmed to Chairman Sides the short fall reflected negatively during the County's audit process.

Chairman Sides asked if there would still be time for the State to issue a check by June 30 if the letter was to be signed in the next week or so. Ms. Heidrick said the County would not receive the funds prior to June 30, but the revenue would show in the current year.

Chairman Sides asked if the letter was not signed and the revenue was not received, then the County's fund balance would take a hit for that amount of money on paper, until such time the revenue would be received. Ms. Heidrick responded that that was correct.

Commissioner Mitchell questioned the fact that if the quarterly sales tax payment was withheld, would there still be a deficit of \$1.4 million.

Ms. Heidrick responded that the lottery proceeds were given on a quarterly basis and the sales tax was distributed on a quarterly basis, but the schools were paid an amount monthly. Ms. Heidrick explained the first distribution of funds was received in October, but the schools received payment of one twelfth of what was expected to be received in that year. Ms. Heidrick said it was offset in the end and the revenue matched the expenditures to the BOE. Ms. Heidrick said the last one twelfth was left to pay the BOE in the amount of \$125,000.

Chairman Sides said that the recommendation was for the \$125,000 to be withheld for this year, and to continue to withhold the monthly payment, until such time as the amount paid out in debt service would be retained. Chairman Sides said at such time the letter was signed, the County would reimburse what had been withheld.

Commissioner Mitchell said until the money could get figured out, he had no problem withholding the sales tax and if need be, discussion on the topic could take place on Monday in terms of the overall budget.

Commissioner Barber said he would prefer to wait and bring the topic into the mix of everything else on Monday because the schools would be the major topic discussed. Commissioner Barber said that what had been proposed in the budget he would not support and that he had some other ideas to present at the work session.

Commissioner Mitchell said if this were to go through as set up today, the schools would have approximately \$1.5 million for capital expenses and the County would be short \$1.5 million on what was allocated toward the bond referendum.

Ms. Heidrick said the County and the schools were required to sign the application to draw down the lottery proceeds. Ms. Heidrick said the lottery money was sitting in a fund and not going away but until both sides agreed, the schools were not allowed to use the funds.

Commissioner Mitchell questioned whether the funds could still be drawn after July 1. Ms. Heidrick explained that if lottery proceeds were to be used for a capital project the allocations were allowed to build for several years until the project was executed and the funds drawn down. Ms. Heidrick said that as long as the County did not wait too long the funds would be there. Ms. Heidrick went on to say that if the application were to be signed by both parties prior to June 30, then the revenue would be booked in the current year.

Commissioner Mitchell said the County would need to figure out how the payment would be made in FY 13-14, and that was the major issue.

Chairman Sides said it would take almost the twelve months to recoup what had already been spent out in debt service, and that would be if all sales tax money that goes to the schools was to be withheld. Chairman Sides said that would mean the schools would have no capital expense money in the next fiscal year and that would run into the problem of yet another year should the letter not be signed and the County did not draw down the funds. Chairman Sides said he hoped there would be some resolution between now and then, but if not, the recommendation was to continue to withhold those sales tax dollars to recoup money already paid out in debt service. Chairman Sides said it was within the authority of the Board to take such action.

Chairman Sides said there was a motion on the floor and a second, and he was deferring to Commissioner Pierce as to whether he wanted to wait until Monday or call for a vote on the motion.

Commissioner Pierce said the situation could have been avoided by a signature – a signature that every BOE Chairman had provided for the past eight (8) consecutive years. Commissioner Pierce said the action of the County was not unusual or mean-spirited, but was rather a lack of cooperation by the BOE. Commissioner Pierce called for a vote in order to know where the County stood.

The motion passed 3-2 with Commissioners Mitchell and Barber dissenting.

7. DISCUSSION REGARDING APPOINTMENT OF ECONOMIC DEVELOPMENT TASK FORCE

Commissioner Caskey said he had asked the Board during the May 20, 2013 meeting to consider appointing an Economic Development Task Force in an effort to gather data to help the county develop initiatives that would support and grow the county's economic base.

Commissioner Caskey said the primary goal of the effort was data gathering, which would be presented in a final report to be utilized by elected leaders, economic development partners and other stakeholders to evaluate and consider as they choose. Commissioner Caskey felt the information would assist the community in positioning itself to develop potential initiatives to support and grow the economic base.

After sharing the proposal with other Commissioners, Commissioner Caskey said the recommendation would be to have one (1) member from each of the five (5) top private sector businesses that wished to participate, six (6) appointed by the Board and one (1) from each municipality to equal twenty-one (21) members. Commissioner Caskey stated that anyone who wished to apply would do so through the County's website and the appointments would be considered by the Board on July 1. Commissioner Caskey said the Economic Development Commission (EDC) would take over the members and facilitate the process over the next six (6) months. The task force would come back with a presentation of

their recommendations. Commissioner Caskey said the goal would be to implement ideas and he pointed out there would be no elected officials on the task force.

Commissioner Barber said he would like to make sure the agricultural sector was represented on the task force. Commissioner Barber continued by saying over the last seven (7) years, committees had been appointed and feed back was received; however, no action was taken. Commissioner Barber discussed funding for the EDC. Commissioner Barber pointed out that if there were no funds to address any recommendations by the task force, the business leaders would have been asked to give up their valuable time.

Commissioner Mitchell asked if the plan was in the form of a motion, and Commissioner Caskey replied yes. Commissioner Mitchell seconded the motion.

Chairman Sides said he did not like appointing more boards or committees, especially twenty-one member boards. Chairman Sides said he would be concerned with what the task force would come back with and who would handle the task force. Chairman Sides went on to say that as stated, the primary goal would be data gathering, not major initiatives, and that the data would be supplied to the Board and decisions would be made based on that data. Chairman Sides said he wanted to be very careful that the people involved understood what the goal was in the initiative. Chairman Sides said he would support the proposal but reserved the right to withdraw support should he see things headed in what he perceived as the wrong direction.

In response to an inquiry from Commissioner Pierce Commissioner Caskey responded the task force would be only a temporary committee and would then be disbanded.

Commissioner Pierce said he saw the plan as leading in the direction of the business incubator with information that could be gleaned from the public. Commissioner Pierce also asked Commissioner Caskey if he had been working with the EDC Director, Robert Van Geons, in developing the concept and Commissioner Caskey responded in the affirmative.

Chairman Sides restated the fact that Commissioner Caskey said the EDC would be handling the proposal with formulating the committee. Commissioner Caskey reiterated that the EDC would get the facilitator and put all information together to be brought back to the Board.

County Attorney Jay Dees said as a point of clarification from the Clerk, the deadline for applications to be received was June 21, 2013 in order to be considered during the July 1, 2013 Board meeting.

Upon being put to a vote, the motion on the floor passed unanimously.

ADDITION

7a. CLOSED SESSION

Commissioner Pierce moved at 3:47 p.m. that the Board enter Closed Session pursuant to North Carolina General Statute § 143-318.11(a)(6) for personnel matters. The motion was seconded by Commissioner Mitchell and passed unanimously.

The Board returned to Open Session at 4:19 p.m. No action was taken.

Chairman Sides recessed the meeting at 4:19 p.m. and said the meeting would resume at 5:30 p.m.

8. PUBLIC HEARING FOR PROPOSED FY 2013-14 BUDGET

Chairman Sides reconvened the meeting at 5:30 p.m. and highlighted the protocol for the public hearing.

Chairman Sides opened the public hearing to receive citizen input regarding the budget. The following individuals came forward:

- Ben Knox, Chair of the Soil and Water Conservation District (District), provided the Commissioners with a handout and asked the Board to reconsider the proposed cuts to the District.
- Alex Reynolds, a theater teacher at Jesse Carson High School, spoke in opposition to cutting additional funds from Rowan Salisbury School System.
- Larry Wright expressed appreciation to the Board for not raising taxes. Mr. Wright also felt the Rowan Salisbury School System should justify its request for a budget increase for fiscal year 2013-14.
- Marian Thompson, President of the Rowan Salisbury Association of Educators, asked the BOC to reconsider the proposed cut to Rowan Salisbury School System.
- Janet Spriggs, Chief Financial Officer of Rowan Cabarrus Community College (RCCC), provided the Board with an update regarding RCCC's bond projects.
- Dianne Cannady spoke in opposition to the proposed two cent fire tax increase for the Cleveland Volunteer Fire Department.
- Steven Olsen, a member of the Board of Directors for Enochville Volunteer Fire Department, spoke in support of the proposed fire tax increase for the department.
- Nathaniel Mackey, Fire Chief for Enochville Volunteer Fire Department, spoke in support of the proposed fire tax increase for the department.
- Daniel Jenkins, a firefighter for Enochville Volunteer Fire Department, spoke in support of the proposed fire tax increase for the department.
- Chris Hunt, an EMT and firefighter with Enochville Fire Department, spoke in support of the proposed fire tax increase for the department.

- Gene Miller, Assistant Superintendent for Rowan Salisbury School System (RSSS), said he was speaking on behalf of the Board of Education Chairman, Dr. Richard Miller, and asked the Commissioners to reconsider the proposed cuts to RSSS.
- Dee Lazenby discussed the need for walls between kennels at the Animal Control Shelter to in order to avoid cross contamination between animals.
- Patty Bishop discussed the lack of enforcement of contracts between citizens and the Animal Control Shelter that require animals to be spayed or neutered. Ms. Fisher also proposed that the Shelter close down for approximately 30 days in order to completely disinfect the Shelter.
- Cynthia Dry pointed out a correction needed in the budget. Ms. Drye said Piedmont Behavioral Healthcare no longer existed and the correct name should be Cardinal Innovative Healthcare Solutions. Ms. Drye also spoke regarding the salary for the Attorney at DSS. Ms. Dry referred to the proposed salary for the Assistant County Manager, which she felt was too high and unnecessary. Ms. Drye said it seemed that at a time when funding was critical, hiring an assistant for the purpose of special projects was superfluous and luxurious. Ms. Drye said she was noticing such budget items and that she knew other employees noticed.
- Whitney Bost spoke in opposition to proposed cuts to the Rowan Salisbury School System.
- Susan Herrington, Principal of Woodleaf Elementary School, spoke in opposition to proposed cuts to the Rowan Salisbury School System. Ms. Herrington also thanked the Board for the classroom supply money provided by the County each year.

With no one else wishing to address the Board, Chairman Sides closed the public hearing.

County Manager Gary Page explained the reference to the budget made by Cynthia Dry and explained that the amount of money budgeted was for more than an Assistant County Manager's salary. Mr. Page emphasized the proposed amount was for a plan and not a salary and would be discussed further during the upcoming budget work session.

9. ADJOURNMENT

There being no further business to come before the Board, Commissioner Pierce moved to adjourn at 6:26 p.m. The motion was seconded by Commissioner Barber and passed unanimously.

Respectfully Submitted,

Carolyn Barger, CMC, NCCCC
Clerk to the Board/
Assistant to the County Manager